

## CPCN APPLICATION INSTRUCTIONS & CHECKLIST

Small water systems serving more than one customer are subject to the regulatory jurisdiction of the Idaho Public Utilities Commission as provided by *Idaho Code*, Title 61, unless they are organized as a homeowners' association, formal water district, municipality or other mutual non-profit organization. The Commission's jurisdiction and authority is very broad and includes approval of authorized service area, rates and charges, accounting and reporting requirements, service quality, customer relations rules and customer information rules.

These instructions and the accompanying checklists are provided to help the owners/operators of small water systems make application to the Idaho Public Utilities Commission for authority to operate as a public utility in the state of Idaho. Additional information regarding the Commission's rules and regulations can be provided upon request or upon receipt of the Application.

The process begins with a letter addressed to:

Commission Secretary  
Idaho Public Utilities Commission  
PO Box 83720  
Boise, Idaho 83720-0074

Characterize the letter as an Application for a Certificate of Public Convenience and Necessity. Briefly describe the water system and service area. State that a Certificate Application is enclosed together with the required supplemental information. If another existing water system is located near the requested service area and could economically serve the area, provide the name and address. Request the Commission to issue a Certificate of Public Convenience and Necessity (CPCN) authorizing the Company to operate as a public utility in the state of Idaho and to serve the geographical area requested. Identify each attachment with a reference to the numerical item in the Application checklist to which it is associated. If an item is not applicable include an explanation.

For further reference see the IPUC Rules of Procedure IDAPA 31.01.01.111 - 120. Idaho Code, Title 61, and the Commission's Rules are available on the Internet at: [www.puc.idaho.gov](http://www.puc.idaho.gov). The Rules that apply to water companies are IDAPA 31.21.01.000 et seq./Utility Customer Relations and IDAPA 31.36.01.000 et seq./Small Water Companies.

An application to the Idaho Public Utilities Commission for a Certificate of Public convenience and Necessity (CPCN) to operate a water utility in Idaho should include the following:

Name of small water company (SWC)

Name and title of primary contact person

Telephone number(s) for primary contact

SWC Mailing address

City, State Zip

Street address for SWC if different from mailing address

City, State Zip

Email address

Review the following questions and include applicable information:

1. Type of business organization that the SWC is registered under:  
(Corporation, LLC, Partnership or Proprietorship)
2. In what state is the company organized?
3. Is the company registered with the Idaho Secretary of State (ISOS) and authorized to do business in Idaho?
4. Attach copies of applicable by-laws, articles of incorporation and/or other organizational documents on file with the ISOS.
5. Are there any affiliated companies with which the water system shares office space, employees, expenses or provides services to the water

system? If there are, please attach a detailed description of the relationship, otherwise indicate no.

6. Attach a legal description for the certificated area to be served and a map.
7. Attach a map of the area showing the location of wells, reservoirs, water lines, booster pumps, valves, etc. for your system. Also indicate the locations and names of all public utilities, corporations, or persons with which the utility will likely compete.
8. Attach the most recent DEQ Sanitary Survey (if applicable).
9. Identify the Certified water system operator and certificate number.
10. Is the system approved by the Idaho Department of Environmental Quality (DEQ) or local health district? Yes/No
11. Attach information showing the water rights license or permit owned by the water utility.
12. Attach the anticipated schedule of construction including proposed date to begin providing service.
13. Attach the estimated cost for utility construction and statement of anticipated annual maintenance costs.
14. Attach a statement of the manner in which the applicant proposes to finance new utility construction.
15. Number of customers currently connected to system.
  - Number of Residential accounts
  - Number of Commercial accounts
16. Number of customers ultimately to be served by the system.
  - Number of Residential accounts
  - Number of Commercial accounts
17. Attach monthly water production data from all sources.
18. Attach monthly consumption data for the various types of customers currently connected to the water system.
19. Attach a description of proposed rates and charges.

Note: Separate rates between residential and commercial customers' rates. Typically water rates are either a flat monthly charge regardless of the amount of water consumed or a metered rate with a basic charge that includes a block of water (000s of gallons or 00s of cubic feet) plus a commodity charge for consumption in excess of the initial block included in the basic charge.

20. Attach a set of detailed financial statements (income and balance sheet) for the most recent three years for the water system (one or two if new company) or a detailed budget for a new system with no financial history.
21. Attach a list of current customers and mailing addresses.
22. You are required to inform your customers (if any) of the Application. The notice should briefly describe the service area and proposed rates. It should include the Commission's phone number (208) 334-0300 and mailing address: Commission Secretary, Idaho Public Utilities Commission, PO Box 83720, Boise, Idaho 83720-0074. Have the existing customers been notified? (Yes/No) If yes, attach a copy of the Notice. If no, attach an explanation. Has the Company issued a Press Release? (Yes/No) If yes, attach a copy. If no, attach an explanation.
23. Attach samples of:
  - Bill statement
  - Reminder Notice - Termination of Service
  - Final Notice - Termination of Service
  - Annual Rules Summary
  - Company Tariff –including General Rules and Regulations (see Model Tariff 2008)
  - Company Main Extension Rules – (see Model Uniform Main Extension Rule of Water Utilities 2009)